

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DEPARTMENT 85

HON. JAMES C. CHALFANT, JUDGE

SHAHZAD M. QUDDUSI, ET AL,
PLAINTIFF,

VS.

ISLAMIC CENTER NORTHRIDGE, ET AL,
DEFENDANT.

NO. BC 433 463

REPORTER'S TRANSCRIPT OF PROCEEDINGS

FRIDAY, MAY 21, 2010

APPEARANCES:

FOR THE PLAINTIFF:

ULWELLING SIDDIQUI
BY: OMAR A. SIDDIGUI, ESQUIRE
DANIEL M. JOSEPHSON, ESQUIRE
695 TOWN CENTER DRIVE
SUITE 700
COSTA MESA, CALIFORNIA 92626
(714) 384-6650

FOR THE DEFENDANT:

LAW OFFICES OF MITCHELL B. YOUNG
BY: MITCHELL B. YOUNG, ESQUIRE
1379 PARK WESTERN DR. #212
SAN PEDRO, CALIFORNIA 90732
(310) 546-7047

COPY

JEANIE CAMPBELL, CSR NO. 11859
OFFICIAL REPORTER

1 CASE NUMBER: BC 433 463
2 CASE NAME: QUDDUSI VS. ICN
3 LOS ANGELES, CALIFORNIA FRIDAY, MAY 21, 2010
4 DEPARTMENT 85 HON. JAMES C. CHALFANT, JUDGE
5 APPEARANCES: (AS HERETOFORE NOTED.)
6 REPORTER: JEANIE CAMPBELL, CSR NO. 11859
7 TIME: 10:35 A.M.

8
9 ---0---

10
11 THE COURT: QUDDUSI, ET AL VERSUS ISLAMIC CENTER
12 NORTHRIDGE, ET AL, BC 433 463.

13 MR. SIDDIQUI: GOOD MORNING, YOUR HONOR. OMAR
14 SIDDIQUI AND DANIEL JOSEPHSON OF ULWELLING SIDDIQUI ON
15 BEHALF OF PLAINTIFFS. ALONG WITH US, YOUR HONOR, ARE
16 THREE PLAINTIFFS.

17 THE COURT: I DON'T NEED THE PLAINTIFFS UP HERE.
18 HAVE A SEAT IN THE AUDIENCE.

19 MR. SIDDIQUI: THAT'S FINE, YOUR HONOR.

20 MR. YOUNG: GOOD MORNING, YOUR HONOR. MITCHELL
21 YOUNG, Y-O-U-N-G, ON BEHALF OF DEFENDANTS.

22 THE COURT: ALL THE NAMED DEFENDANTS?

23 MR. YOUNG: YES, YOUR HONOR.

24 THE COURT: YOU WERE ABOUT TO SAY SOMETHING.

25 MR. SIDDIQUI: THANK YOU, YOUR HONOR. YOUR HONOR,
26 WE BRING FORTH TODAY'S EX PARTE APPLICATION. WE HAVE AN
27 EMERGENCY. DEFENDANTS HAVE --

28 THE COURT: LET'S GO RIGHT TO IT BECAUSE I DID NOT

1 SEE A SINGLE EMERGENCY IN ANY OF YOUR PAPERS.

2 MR. SIDDIQUI: YOUR HONOR, HERE'S THE ISSUE. EVER
3 SINCE THE COMPLAINT HAS BEEN FILED, THERE HAS BEEN AN
4 EXTREME EMERGENCY THAT MONEYS FROM THE CORPORATION THAT
5 ARE BEING RECEIVED BY DONATIONS AND CASH DONATIONS ARE
6 BEING CONTINUOUSLY USURPED AND LOOTED.

7 THE COURT: WHERE IS THE EVIDENCE OF THAT?

8 MR. SIDDIQUI: WELL, YOUR HONOR, WE HAVE ATTACHED
9 DECLARATIONS OF THE EXISTING CORPORATE SECRETARY.
10 MR. PERVEZ MAHMUD IS THE CURRENT CORPORATE SECRETARY. WE
11 HAVE ATTACHED A DECLARATION WHERE HE IS --

12 THE COURT: WELL, IF IT IS NOT IN YOUR PAPERS --
13 LET'S GO THE DECLARATION. YOU ACCUSE THE DEFENDANTS OF
14 SYSTEMATICALLY TAKING CONTROL AND LOOTING I.C.N. AND
15 INTIMIDATING. AND ALL THE FACTS THAT YOU PRESENT HAVE
16 OCCURRED IN THE LAST FOUR YEARS, I BELIEVE. THERE WAS NOT
17 A SINGLE FACT ALLEGED THAT OCCURRED AFTER DECEMBER 2009,
18 WHICH MEANS THERE IS NO EMERGENCY.

19 NOW, THE PERSON YOU MENTIONED WAS WHO?

20 MR. SIDDIQUI: YOUR HONOR, THE EXISTING CORPORATE
21 SECRETARY, MR. PERVEZ MAHMUD.

22 THE COURT: SO LET ME FIND HIS DECLARATION.

23 MR. SIDDIQUI: IT IS THE SECOND DECLARATION FROM
24 MR. SHAHAB UD DIN.

25 THE COURT: I DON'T SEE ANY DATES IN HIS DECLARATION
26 OTHER THAN 1979, 2009.

27 MR. SIDDIQUI: WELL, YOUR HONOR, IF THE COURT WOULD
28 TAKE NOTICE ON PARAGRAPH 17, MR. MAHMUD IS ASSERTING THAT

1 CONTEMPORANEOUSLY WHAT'S HAPPENING IS THE BOARD MEMBERS
2 ARE BEING REPLACED WITHOUT ANY INVOLVEMENT OF ANY OF THE
3 OTHER MEMBERS OF I.C.N. THE DEFENDANTS ARE APPOINTING
4 INDIVIDUALS TO THE BOARD, MAKING THEIR OWN DECISION,
5 PARAGRAPH 18, YOUR HONOR. IN PARAGRAPH 19, YOUR HONOR,
6 DEFENDANT IS ALLOWING UNAUTHORIZED DIRECTORS TO SERVE MORE
7 THAN THEIR TERM.

8 THE COURT: RIGHT. HE SEIZED CONTROL OF THIS
9 ENTITY, BUT HE DID IT A LONG TIME AGO. LOOK, THE ISSUE
10 IS -- I'M NOT SAYING YOU WON'T WIN, AND I'M NOT SAYING YOU
11 WON'T GET A PRELIMINARY INJUNCTION.

12 WHAT I'M SAYING IS, THE FIRST THING I LOOK
13 AT ON AN EX PARTE APPLICATION IS WHAT IS THE EMERGENCY?
14 AND IN THIS KIND OF CASE -- FIRST OF ALL, BOARD MEMBERS
15 AND FAILURE TO FOLLOW CORPORATE FORMALITIES, THAT IS NEVER
16 AN EMERGENCY. STEALING MONEY CAN BE AN EMERGENCY, BUT I
17 DON'T HAVE ANY EVIDENCE THAT ANYTHING HAS HAPPENED
18 RECENTLY LIKE WITHIN THE LAST MONTH THAT WOULD REQUIRE EX
19 PARTE RELIEF. YOU HAVE TO MAKE A NOTICED MOTION FOR A
20 PRELIMINARY INJUNCTION.

21 MR. SIDDIQUI: WE INTEND TO BRING A NOTICED MOTION
22 AS WELL, YOUR HONOR. BUT THE REASON THERE IS THIS
23 EXIGENCY IS THAT WE ARE ALSO CONCERNED THAT SOME OF THESE
24 MONEYS MAY BE DIVERTED OUTSIDE THE COUNTRY TO QUESTIONABLE
25 SOURCES.

26 OUR OFFICE HAS BEEN IN CONTACT WITH LAW
27 ENFORCEMENT, THE LAPD AND THE COUNTER TERRORISM UNIT, TO
28 MAKE SURE THAT THESE MONEYS ARE NOT BEING SENT OVERSEAS

1 FOR THREATS TO NATIONAL SECURITY.

2 BUT AS FAR AS THE SHAREHOLDERS AND THE
3 MEMBERS ARE CONCERNED, I'M BRINGING YOU, YOUR HONOR, THE
4 CORPORATE SECRETARY WHO CAN ATTEST TO THE COURT THAT THERE
5 IS A CONCERN THAT THE CHIEF FINANCIAL OFFICER WHO WAS NOT
6 ELECTED BY THE MEMBERS, WHO IS HANDPICKED BY SOMEONE HAS
7 COMPLETE CONTROL. FOR EXAMPLE, SOME OF THE DEFENDANTS
8 EVEN RESIDE AT THE RESIDENCES OF I.C.N. THERE ARE CONCERNS
9 THAT THERE IS NO RENT GOING THERE, YOUR HONOR.

10 THE COURT: THESE ARE ALL BAD THINGS, I ACKNOWLEDGE.

11 BUT THE THRESHOLD QUESTION IS -- YOU'RE
12 APPEARING EX PARTE. I DON'T KNOW IF YOU HAVE EVEN SERVED
13 THE COMPLAINT.

14 MR. SIDDIQUI: WE HAVE, YOUR HONOR.

15 THE COURT: SO YOU HAVE SERVED THE COMPLAINT. THEY
16 ARE ON NOTICE OF THE COMPLAINT. BUT WHEN YOU APPEAR EX
17 PARTE, THE DEFENDANT HAS TO SCRAMBLE TO APPEAR AND DEFEND
18 THEMSELVES. NORMALLY A PARTY IS ENTITLED TO NOTICE AND AN
19 OPPORTUNITY TO PREPARE THEIR OPPOSITION AND MARSHALL THEIR
20 EVIDENCE. WHEN YOU APPEAR EX PARTE, YOU OBTAIN ALL OF
21 THAT.

22 NOW, THAT IS OKAY IF THERE IS AN EMERGENCY;
23 BUT IF THERE IS NOT AN EMERGENCY, THEN THEY'RE ENTITLED TO
24 NOTICE AND AN OPPORTUNITY TO PREPARE THEIR EVIDENCE AND
25 PUT THEIR BEST FOOT FORWARD IN DISAGREEMENT WITH YOUR
26 POSITION.

27 ALL I'M SAYING TO YOU IS I DON'T SEE AN
28 EMERGENCY HERE. YOU MAY WELL PREVAIL; I DON'T KNOW, BUT

1 CERTAINLY IF ALL THE THINGS YOU SAY ARE TRUE, YOU WILL
2 PREVAIL. BUT THERE'S NO EMERGENCY. I CAN'T GRANT
3 EX PARTE RELIEF HERE.

4 COUNSEL, DO YOU WISH TO BE HEARD?

5 MR. YOUNG: JUST ONE BRIEF ITEM, YOUR HONOR.
6 WHETHER OR NOT THE POLICE ARE INVOLVED, HOMELAND SECURITY,
7 FBI, WHOMEVER, THAT'S A LAW ENFORCEMENT ISSUE. THAT IS
8 NOT SOMETHING THAT IS REALLY AMENABLE TO THIS COURT TAKING
9 ACTION. I WOULD AGREE THERE IS NO EXIGENCY.

10 THE COURT: WELL, I DON'T AGREE THE FACT THAT LAW
11 ENFORCEMENT IS INVOLVED IS IRRELEVANT; BUT IT IS MUCH TOO
12 VAGUE FOR ME. YOU HAVE CONCERNS, WELL, OKAY; I'M GLAD YOU
13 HAVE CONCERNS, AND GLAD YOU HAVE REPORTED THEM TO LAW
14 ENFORCEMENT, BUT CONCERNS ARE NOT EVIDENCE.

15 MR. YOUNG: THE COURT HIT UPON A KEY ISSUE THERE, A
16 LACK OF SPECIFICITY. THE COURT SAID SCRAMBLE; I WAS
17 SCRAMBLING TILL 2:30 THIS MORNING TRYING TO GET THIS STUFF
18 TOGETHER. LITERALLY THAT IS WHAT YOU HAVE TO DO IN THESE
19 CIRCUMSTANCES, AND THERE IS A LACK OF ELEGANCE IN THE
20 RESPONSE BECAUSE OF THAT. BUT THERE IS NO -- GIVEN THE
21 DECLARATIONS AS THEY ARE, THERE'S NO SHOWING OF EXIGENCY.

22 THE COURT: YOU HAVE TO MAKE A NOTICED MOTION IN
23 THE TRIAL COURT FOR THIS RELIEF.

24 MR. SIDDIQUI: YOUR HONOR, THAT WAS OUR INTENT TO
25 BRING A NOTICED MOTION AS WELL AS EX PARTE BEFORE JUDGE
26 ROSENBLATT. WE WERE INFORMED BECAUSE THE STATUS
27 CONFERENCE HAD NOT OCCURRED THAT WE SHOULD BRING THE EX
28 PARTE BEFORE YOUR HONOR.

1 THE COURT: THAT IS TRUE THAT YOU SHOULD BRING THE
2 EX PARTE IN FRONT OF ME. A NOTICED MOTION, THOUGH, IS
3 BROUGHT IN FRONT OF THE TRIAL COURT NO MATTER WHEN IT IS.
4 IT IS ONLY WHEN YOU'RE SEEKING LESS TIME THAN A NOTICED
5 MOTION WOULD PROVIDE THAT YOU WOULD BE IN MY COURT.

6 MR. SIDDIQUI: YOUR HONOR, IF I MAY THROW IN
7 ANOTHER COMMENT FOR YOUR HONOR'S CONSIDERATION. ONE OF
8 THE REASONS THERE IS THIS LACK OF CLARITY IN REGARD TO THE
9 FINANCES UNDER I.C.N. IS BECAUSE IT IS UNDER COMPLETE
10 CONTROL OF THE DEFENDANTS.

11 THE COURT: UNDERSTOOD.

12 MR. SIDDIQUI: AND SO IT IS IMPOSSIBLE FOR EVEN THE
13 CORPORATE SECRETARY, WHO'S HERE TODAY, WHO HAS PROVIDED A
14 DECLARATION AND FORMER PRESIDENTS AND FORMER BOARD MEMBERS
15 AND EXISTING MEMBERS TO BE ABLE TO DISCERN EXACTLY WHAT
16 THE FINANCES OF THE CORPORATION LOOK LIKE.

17 MR. YOUNG: YOUR HONOR, AN ANSWER HAS BEEN FILED.
18 THAT'S WHAT DISCOVERY IS FOR.

19 THE COURT: WELL, I DON'T WANT TO ADVISE YOU ON HOW
20 TO PROCEED, BUT YOU HAVE A LOT OF ALLEGATIONS HERE. IF
21 YOU HAVE ALLEGATIONS THAT YOU CAN PROVE WITHOUT TAKING
22 DISCOVERY, THEN I WOULD FOCUS ON THOSE AND NOT ADD
23 ALLEGATIONS IN WHICH YOU HAVE CONCERNS OR YOU DON'T REALLY
24 HAVE HARD EVIDENCE. BUT THAT'S JUST ADVICE; YOU CAN DO
25 WHAT YOU WANT.

26 BUT IN TERMS OF WHERE THE NOTICED MOTION
27 WOULD BE, 2.5 (J) SAYS ESSENTIALLY THAT WHEN YOU SEEK EX
28 PARTE RELIEF OR SHORTENED TIME RELIEF, YOU DO IT HERE ON A

1 PRELIMINARY INJUNCTION. IF YOU GO BY WAY OF FULLY NOTICED
2 MOTION, YOU GO IN THE TRIAL COURT. SO THAT IS WHAT YOU
3 NEED TO DO.

4 MR. SIDDIQUI: YOUR HONOR, PENDING THE STATUS
5 CONFERENCE WHICH IS SET FOR JUNE 18TH BEFORE JUDGE ROSENBLATT,
6 I WOULD PRESUME THEN THAT THE COURT IS INCLINED TO ADVISE
7 THAT THE MOTION WOULD BE FILED BEFORE OUR REGULAR TRIAL
8 JUDGE.

9 THE COURT: YES, IT GOES BEFORE THE TRIAL COURT.
10 YOU DON'T HAVE TO WAIT FOR THE STATUS CONFERENCE; YOU CAN
11 MAKE A MOTION FOR A PRELIMINARY INJUNCTION TO THE TRIAL
12 COURT ON REGULAR NOTICE. MAYBE THAT WOULDN'T BE BEFORE
13 JUNE 18TH; I DON'T KNOW.

14 MR. YOUNG: PROBABLY NOT, YOUR HONOR.

15 MR. SIDDIQUI: YOUR HONOR, IS THE COURT INCLINED TO
16 OFFER SOME TYPE OF RELIEF TO ASSIST IN THE MEMBERS MAKING
17 SURE THE CORPORATION --

18 THE COURT: I CAN'T BECAUSE THERE'S NO EMERGENCY,
19 AND THEREFORE I HAVE TO DENY IT. I'M GOING TO DENY IT
20 WITHOUT PREJUDICE IN FAVOR OF A NOTICED MOTION IN THE TRIAL
21 COURT. THAT IS, IF YOU COME UP WITH SOME -- YESTERDAY THE
22 DEFENDANTS -- YOU HAVE EVIDENCE THAT HE STOLE MONEY
23 YESTERDAY, YOU MAY RENEW YOUR EX PARTE APPLICATION. BUT
24 OTHERWISE YOU MAKE A NOTICED MOTION IN THE TRIAL COURT.

25 MR. SIDDIQUI: THANK YOU, YOUR HONOR FOR YOUR TIME.
26 WE APPRECIATE YOUR CONSIDERATION.

27 MR. YOUNG: THANK YOU, YOUR HONOR.

28 THE COURT: YOU'RE WELCOME.
(PROCEEDINGS WERE CONCLUDED AT 10:50 A.M.)

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DEPARTMENT 85

HON. JAMES C. CHALFANT, JUDGE

SHAHZAD M. QUDDUSI, ET AL,
PLAINTIFF,

VS.

ISLAMIC CENTER NORTHRIDGE, ET AL,
DEFENDANT.

NO. BC 433 463

REPORTER'S CERTIFICATE

I, JEANIE CAMPBELL, OFFICIAL REPORTER OF THE
SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF LOS
ANGELES, DO HEREBY CERTIFY THAT THE FOREGOING PAGES 1 THROUGH
7, INCLUSIVE, COMPRISE A FULL, TRUE, AND CORRECT TRANSCRIPT
OF THE PROCEEDINGS TAKEN IN THE MATTER OF THE ABOVE-ENTITLED
CAUSE ON FRIDAY, MAY 21, 2010.

DATED THIS 24TH DAY OF MAY, 2010.


JEANIE CAMPBELL, CSR NO. 11859
OFFICIAL REPORTER